

# Request for Authorization to Proceed with Regulations Relating to Senior Citizens Homeowners and Renters Property Tax Assistance Law

## Proposed Cal. Code of Regs., Tit. 18, Sections 20501-20504

In accordance with Franchise Tax Board Resolution 98-7, staff requests approval to notice a proposed regulation addressing certain definitions and criteria applicable to the Senior Citizens Homeowners and Renters Property Tax Assistance law. Those laws generally establish a program that provides assistance for elderly and disabled individuals with the payment of property tax assessments on their places of residence.

In accordance with the memorandum of the Chief Counsel dated January 15, 1999, entitled "Processing Regulations," staff requests approval to follow the no symposium process. This request is based upon the fact that these regulations are not anticipated to raise any substantial public controversy as they simply clarify existing administrative practice and reduce the burden on claimants with respect to the amount of paperwork that must be filed to verify certain claims.

These proposed regulations are designed to define certain unclear terms and specifically identify the types of evidence needed to establish a claimant's eligibility under the criteria set forth in the relevant statutes. (Revenue and Taxation Code §§ 20501 through 20564) Specifically, the proposed regulations define the following: (1) the state of "medical incapacity" which allows a claimant to file a late claim (Revenue and Taxation Code § 20563); (2) the term "substantially equivalent to property taxes" for purposes of allowing those not assessed traditional property tax to claim assistance (Revenue and Taxation Code §20509(a)); (3) the type of evidence of property tax assessment a homeowner must provide that is acceptable to establish eligibility and the amount of assistance; and (4) the types of documentation and/or evidence that are acceptable to prove that the claimant is "disabled" within the meaning of Revenue and Taxation Code § 20505.

The definitions in these proposed regulations are based upon similar and/or referenced statutory or decisional definitions, as well as a decision by the State Board of Equalization, *Appeals of Helen Cantor, et al.*, 2002-SBE-008, Nov. 13, 2002. They are designed to clarify and simplify the claims process by identifying specific criteria that must be satisfied by claimants in proving their eligibility for assistance under the Senior Citizens Homeowners and Renters Property Tax Assistance law.

**Section 20501 is adopted to read:**

§ 20501. "Medically Incapacitated" Defined.

For purposes of Revenue and Taxation Code section 20563, the term "medically incapacitated" means an individual being unable to attend to his or her own personal needs and activities of daily life, including, but not limited to, matters such as their own personal hygiene or nutritional needs.

NOTE: Authority cited: Section 19503, Revenue and Taxation Code.  
Reference: Sections 20501 and 20563, Revenue and Taxation Code

**Section 20502 is adopted to read:**

§ 20502. "Substantially Equivalent to Property Taxes" Defined.

For purposes of Revenue and Taxation Code section 20509, subdivision (a), the term "substantially equivalent to property taxes" means payments made in lieu of property taxes, as specified in Revenue and Taxation Code section 20509, subdivision (a), must be at least 80 percent of the amount of property taxes assessed on a property of comparable assessed value without regard to any granted or applicable exemptions or exclusions granted by the property taxing authority.

NOTE: Authority cited: Section 19503, Revenue and Taxation Code.  
Reference: Sections 20502 and 20509(a), Revenue and Taxation Code

**Section 20503 is adopted to read:**

§ Section 20503. Submission of Property Tax Bill

For purposes of Revenue and Taxation Code section 20561, the following rules shall apply:

(a) In the first year for which a claim for assistance is filed, the claimant that owns a residential dwelling must submit with the claim form a copy of the property tax bill for the residential dwelling for the qualifying year for which the assistance is claimed.

(b) For all subsequent years for which the same owner files a claim for assistance with respect to the same property, no property tax bill need be filed.

(c) In any case where there has been a change of residence, change of ownership after the tax bill referenced under subsection (a) was submitted, or upon written request of the Franchise Tax Board to the claimant that such a bill be submitted for verification purposes, the rules of subsections (a) and (b) of this regulation shall not apply.

(d) The provisions of this regulation shall apply to all claims for assistance filed on or after July 1, 2003, for claims relating to the 2004 claim year."

NOTE: Authority cited: Sections 19503 and 20561(c), Revenue and Taxation Code.  
Reference: Sections 20503 and 20561(c), Revenue and Taxation Code

**Section 20504 is adopted to read:**

§ 20504. Proof of Disability

(a) For purposes of Revenue and Taxation Code section 20561, a claimant that claims to be eligible based on being under age 62 and disabled but not blind shall submit with the claim form proof of disability in one of the following forms:

(1) Medicare Card, if receiving Social Security or Supplement Security Income benefits as a disabled person;

(2) Social Security Award Letter (the letter notifying the claimant that they are qualified for Social Security or Supplemental Security Income benefits as a disabled person);

(3) Supplement Security Income payment decision; or

(4) A statement from a physician, signed by the physician under penalty of perjury, which specifies the dates and nature of the disability.

NOTE: Authority cited: Sections 19503 and 20561(c), Revenue and Taxation Code.  
Reference: Sections 20504 and 20561(c), Revenue and Taxation Code